

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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November 4, 2003

Mr. Tom Lammert 4188 Spanish Valley Drive Moab, Utah 84532

Subject: Acceptance of Notice of Intention to Commence Small Mining Operations, Tom

Lammert/P&G Metals, Monti Cristo Project, S/037/118, San Juan County, Utah

Dear Mr. Lammert:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial \$150.00 permit application fee, received by the Division on August 26, 2003. The Monti Cristo project is located in the NW¼ NE¼ and the NE¼ NW¼ of Section 10, and in the SW¼ SE¼ and SE¼ SW¼ of Section 3, Township 12 South, Range 5 East, SLBM, San Juan County, Utah. Before we could grant acceptance of the notice, we were required to forward a copy of your notice to the Utah Division of State History to assure that no historical or archaeological properties were in the area of the proposed operation. We have now received their notification that no historic properties should be affected by this operation.

The Division finds your application complete and no additional information is required by this office at this time. Other agencies, notably the Bureau of Land Management, have other requirements you must meet, including the requirement for reclamation bonding.

The map you submitted with your notice of intention indicates your mining operations are to be conducted in the center-east portion of Section 10, Township 12 South, Range 5 East. When I visited the site with Denice Swanke on October 8, 2003, I took global positioning system (GPS) readings from which I made a map of the areas being used for the operation. A copy of the map is enclosed together with an inspection report. The Division will consider this area to be your permitted area. Before mining outside this area, you will need to submit an amended notice of intention to commence small mining operations.

In your notice, you requested a variance from topsoil salvage and revegetation requirements. Because the site was previously disturbed and probably had very little or no vegetation, the Division is willing to grant this variance. We request, however, that you consider ripping and seeding the areas when the site is reclaimed. This variance does not apply to any additional areas you may disturb in the future; they will need to be evaluated separately.



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Please be advised that if you encounter any archaeological or historical concerns, you are to immediately cease operations and notify this office, the BLM or SITLA, and State History of your find.

In accordance with the requirements of Rule R647-3-105, regarding the project location and disturbed area identification on a topographic map, the Division also requires the operator mark the proposed/actual disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or other suitable, fixed markers) to assure that operations do not exceed the five acre limitation of this permit. Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

The acceptance of this notice is for a small mining operation only, **not to exceed five acres**. Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 2002, and annually thereafter, the fees were increased to \$150.00 for small mining notices.

For your reference, I have enclosed copies of our summarized rules regarding Operation and Reclamation Practices and the statutory penalty for failure to reclaim a minesite (SMO-summary). Although the Division does not require that you submit a detailed mine plan for a small mine, you are required to adhere to certain performance standards. Particularly important are those relating to water quality protection. You must adequately control sediment, and any deleterious or potentially deleterious materials must be safely removed from the site or left in an isolated or neutralized condition such that adverse environmental effects are eliminated or controlled.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely

Paul B. Baker, Senior Reclamation Biologist Division of Oil, Gas and Mining

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Enclosure Inspection Report

Denice Swanke, Moab BLM

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